

journal

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www.bpa.gov/corporate/pubs/Journal

Good salmon runs continue

The number of returning summer chinook salmon this year greatly exceeded the 10-year average. More than 67,000 summer chinook were counted passing Bonneville Dam between June 16 and July 31. That was 24,000 higher than the 10-year average for the period.

The summer numbers follow a good spring chinook return which ended June 15. Even though the spring return of over 126,000 was slightly below the 10-year average, it was still better than any spring chinook return during the 1980s and 1990s.

The federal agencies responsible for salmon recovery in the Columbia Basin continue to look for ways to improve both juvenile and adult salmon migration. Even though average returns are going up, fish biologists note that salmon runs are variable. And, improved river conditions for juveniles don't always translate into larger adult returns because of the greater role the ocean plays in salmon survival.

BPA seeks new energy savings

BPA supports the new National Action Plan for Energy Efficiency announced this summer by the Department of Energy and Environmental Protection Agency. On July 31, BPA announced that it would boost its target for new energy savings from 40 to 52 average megawatts per year starting in fiscal 2007.

DOE and EPA said that the new plan could help defer the need for 40 new 500-megawatt power plants while lowering air pollution and improving air quality nationwide. Collaboration among interests in the Northwest has made the region a leader in energy efficiency and conservation in the past.

New substations for wind power

In early August, BPA added its third new substation in as many years to handle the rapid continued development of new wind power projects in eastern Washington and Oregon. In the past eight years, nine wind power projects have been connected to the regional grid operated by BPA, and more are on the way.

Jones Canyon Substation near Arlington, Ore., is the latest of three substations that together will handle 550 megawatts of wind projects planned for 2007. The first to hook up through Jones Canyon is PacifiCorp's 110.5-MW Leaning Juniper Wind Farm.

Wind effort off to flying start

Northwest electricity industry leaders met Aug. 24 in Portland to launch a new effort to explore how to integrate large amounts of wind power and other

renewable resources into the Pacific Northwest power system while maintaining high overall reliability. BPA and the Northwest Power and Conservation Council convened the effort.

Wind power integration is challenging because it can vary widely in a given period due to the intermittent nature of the resource. Periods of strong production don't always match the periods of peak consumption by electric users. Adding too much of a variable resource to the base load power supply — hydro dams and coal and natural gas plants — could reduce the overall reliability of the region's system.

Technical workshops are scheduled throughout the fall to work on this issue further. The region ultimately hopes to have a draft action plan for Northwest wind integration in January 2007. In a meeting earlier in August, the group set up five working committees with 20 proposed tasks for the work plan.

ColumbiaGrid picks board

ColumbiaGrid elected its first board of directors Aug. 1 in Seattle. While each of the directors has an extensive utility background, none is currently affiliated with any market interest. The directors are Ed Sienkiewicz, former BPA vice president; Lloyd Meyers, retired Avista Energy executive; and Shelly Richardson, an energy lawyer. ColumbiaGrid and its new board are set to assume planning and expansion responsibilities as early as this October.

ColumbiaGrid was formed to substantially improve the operational efficiency, reliability and planned expansion of the region's transmission grid. Its members include Avista Corp., Chelan County PUD, Grant County PUD, Puget Sound Energy, Seattle City Light, Tacoma Power and BPA.

Public meeting on DSI options

BPA will hold a public meeting Sept. 8 to discuss the pros and cons of various options for service to direct-service industries after 2011. The hearing is part of the Long-term Regional Dialogue. The Regional Dialogue close of comment is Sept. 29, and BPA expects to release its record of decision in January 2007.

BPA seeks public input on the various options for the direct-service industry. Alcoa and the Public Power Council submitted papers earlier this year. A panel of independent experts hired by the Northwest Power and Conservation Council evaluated those papers. The Council issued a final report, known as the DSI Economic Study.



See the Public Involvement section for more details and the Web sites for these and other references. The Sept. 8 hearing will be from 10 a.m. to 4 p.m. in the BPA rates hearing room at Portland.

Vandalism and theft increase

BPA is stepping up efforts in its Crime Witness program as a result of a rash of thefts and vandalism incidents this summer. BPA asks the public to be alert to possible offenders and report them.

A significant increase in metal theft from BPA facilities over the past several months has been due in large part to the high price of metals on the salvage market. Stealing equipment and materials from substations is extremely dangerous and potentially deadly, not only for the perpetrators but to the BPA employees who work in the substations and the general public.

Theft, vandalism and other crimes to BPA property cost ratepayers up to \$1 million each year. And that doesn't include lost revenues and problems for customers due to power outages. Besides the dangers, stealing and vandalism of government property are felonies. Other common crimes include dumping of waste or materials, and damaging buildings, vehicles and other equipment.

BPA's Crime Witness program offers up to \$25,000 for



BPA is stepping up its Crime Witness program and asks the public to take part

information that leads to the arrest and conviction of people who commit these crimes. Anyone having such information should call BPA's Crime Witness Hotline at (800) 437-2744. The line is confidential, and rewards are issued in such a way that the caller's identity remains confidential.

BPA gets conservation award

BPA was recognized with the Ed Hill Conservation Award by the Teton Land Trust at the Taste of the Tetons event on Aug. 5. The annual award goes to the individual or group that best demonstrates an active interest in conservation of land and community in the Upper Snake River Valley.

This year, BPA and Fall River Rural Electric were honored for their efforts to protect trumpeter swans. BPA installed reflective devices on Fall River Electric's power lines in key areas along swan flyways. This is expected to significantly reduce mortality of the swans that winter in the Snake River Valley.

10 years after blackout

Aug. 10 marked the tenth anniversary of one of BPA's biggest outages in its history. A decade ago, excessive summer heat caused line sagging, and one such line contacted an untrimmed filbert tree in Oregon. The fault caused two lines to trip out. That triggered an outage that cascaded throughout the West and left seven million people without lights.

In the 10 years since, BPA has strengthened and improved the operation of its system by trimming vegetation under lines, replacing capacitors, and increasing monitoring, communication and control of the grid. Lessons learned have improved BPA's system reliability, which helps reduce the threat posed by high summer temperatures in the West.

publicinvolvement

updates and notices

NEW PROJECTS

Service to Direct-service Industries – Regionwide

BPA will hold a public meeting Sept. 8, to discuss the pros and cons of the various options for service to direct-service industries in the Long-Term Regional Dialogue and the impacts after 2011. Parties will also discuss the recently completed economic impact study regarding BPA providing benefits to DSIs. Information is available on BPA's Web site: www.bpa.gov/power/pl/regionaldialogue/dsistudy.shtml. (See calendar of events)

AGENCY – PROJECTS UNDER REVIEW

Slice settlement comment period

After nearly two years of mediation associated with litigation involving Slice True-Up Adjustment Charges for the Slice product, BPA, public agency customers that purchase the Slice power product and a large number other public agency customers have reached a potential settlement of the outstanding litigation and threatened litigation. BPA is releasing the proposed settlement for public review and comment by Sept. 21. Additional information is available on BPA's Web site at <http://www.bpa.gov/Power/PSP/products/slice/announcements.shtml>

ColumbiaGrid – Regionwide

(See the front page story on the first board of directors.). In June 2006, BPA signed a new two-year funding agreement. Six other utilities supporting ColumbiaGrid have also signed or will soon sign this agreement. BPA's funding share is \$2.4 million over two years. BPA's signing of this funding agreement supported the seating of a three-member board on Aug. 1, and will support the hiring of key staff and two years of developmental activity. This agreement does not represent a BPA decision to enter into any proposed functional agreements that will specify the scope of ColumbiaGrid's responsibilities. ColumbiaGrid is the first regional transmission entity in the Northwest to elect an independent board. The board had its first meeting Aug. 17 in Seattle, Wash.

ColumbiaGrid's Planning and Expansion Subgroup is finalizing the draft functional agreement on Transmission Planning and Expansion. This is scheduled to be offered to Northwest transmission owners by ColumbiaGrid by Oct. 15. In September, BPA intends to issue a letter seeking public comments on BPA's potential participation in this agreement. See www.columbiagrid.org/ for the latest information.

Supplement Analysis to the Business Plan EIS – Regionwide

BPA is preparing a Supplement Analysis to its Business Plan EIS, scheduled for release in October. For a copy of the Supplement Analysis, or more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/bpsa.

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Chief Joseph Hatchery Program – Okanogan County, Wash.

The Northwest Power and Conservation Council recommended that BPA study a program sponsored by the Confederated Colville Tribes to assist in conservation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. This program would include a new hatchery near the base of the Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin. The EIS will also consider use of the proposed facilities to reintroduce spring chinook salmon to historical habitats in the Okanogan subbasin on an experimental basis. The program includes production to augment the ceremonial and subsistence harvest of salmon for the Confederated Colville Tribes. This program would be designed to have no effect on the operational flexibility of Chief Joseph Dam. A draft EIS will be available for public comment this fall. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

Lyle Falls Fish Passage Project – Klickitat County, Wash.

BPA will be preparing an EIS for the proposed Lyle Falls Fish Passage Project and expects the draft EIS in May 2007. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/.

Northeast Oregon Hatchery Program, Grande Ronde-Imnaha Spring Chinook Hatchery Project – Wallowa County, Ore.

BPA has conducted value engineering, land acquisition and final design according to the ROD signed March 11, 2005. Several minor changes to facility features and sites resulted, so additional environmental analysis was conducted that included Endangered Species Act compliance, cultural resources surveys and hydrologic effects. No substantial new environmental effects or public issues are anticipated by the changes. A Supplement Analysis was completed March 23, which found that a supplemental EIS was not warranted by the minor changes. The U.S. Fish and Wildlife Service and NOAA Fisheries have concurred that the original ESA consultation remains valid. A ROD authorizing construction is planned for later this winter. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/.

Proposal for Alternative Contracting Approach for Capitalizing BPA Funded Wildlife Land Acquisitions – Regionwide

BPA is seeking feedback on a draft proposal for an alternative contracting concept for capitalizing land acquisitions for wildlife mitigation. The draft addresses some issues that have led to a perceived slowing of mitigation efforts resulting from implementation of the agency's capitalization policy. For more information, see BPA's Web site: www.efw.bpa.gov/.

POWER – PROJECTS UNDER REVIEW

2007 Wholesale Power Rate Case (WP-07) – Regionwide

On July 17, the administrator of the Bonneville Power Administration signed the Final Record of Decision concluding the 2007 Wholesale Power Rate Adjustment Proceeding (WP-07). This 7(i) rate-setting process began with the publication of the Federal Register Notice on Nov. 8, 2005, and BPA's initial proposal on Nov. 21, 2005. The final ROD includes BPA's General Rate Schedule Provisions that will govern rates for FY 2007-2009. The final ROD, with rate schedule provisions and supporting studies and documentation, is on BPA's Web site at: www.bpa.gov/power/ratecase. BPA has sent the record for this rate proceeding to the Federal Energy Regulatory Commission for final approval of the rates. If approved, they take effect Oct. 1.

Regional Dialogue – Regionwide

BPA has issued a policy proposal for public comment. The comment period is open through Sept. 29. Additional information

is available on BPA's Web site: www.bpa.gov/power/regional-dialogue. (See close of comment and calendar of events)

TRANSMISSION – PROJECTS UNDER REVIEW

Caribou-Lower Valley Project – Caribou County, Idaho

BPA is proposing to build, own, operate and maintain a new 138/115-kilovolt substation near a proposed PacifiCorp substation near Soda Springs, Idaho. BPA would connect to PacifiCorp's new substation for the purpose of improving service to Lower Valley Energy. Lower Valley Energy would construct, own and operate a new 20-mile double-circuit 115-kV transmission line from BPA's new substation to a tap on the Lower Valley Energy transmission system between Lanes Creek and Valley substations. Lower Valley Energy would work with BPA to acquire all land and rights-of-way for the 115-kV line. BPA held a public meeting June 6 and received comments through July 14. Field work and design are planned for this summer. BPA expects to release a draft EA this winter. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Congestion Management White Paper – Regionwide

BPA has prepared a white paper, "Challenge for the Northwest: Protecting and managing an increasingly congested transmission system." It describes how and why the Northwest grid has become increasingly stressed and identifies underlying causes of congestion. The white paper is available on BPA's Web site: www.bpa.gov/corporate/pubs/Congestion_White_Paper_April06.pdf. BPA is engaging customers and constituents this summer to develop an agency strategy for dealing with congestion on the transmission system. The comment period is open through Sept. 15. A public meeting is planned for Sept. 7. For more information or to participate, see the Congestion Management project Web site: www.transmission.bpa.gov/business/CongestionManagement/.

Hanford Reach National Monument CCP/EIS – Benton, Franklin and Grant Counties, Wash.

BPA is participating in a land management planning process led by the U.S. Fish and Wildlife Service. The USFWS is working on a comprehensive conservation plan under the Refuge System Improvement Act of 1997. BPA is helping with sections of the plan that pertain to transmission facilities, roads, energy facilities and river flow management within the monument. A draft EIS is scheduled for release this summer.

Klondike III/Biglow Canyon Wind Integration Project – Sherman County, Ore.

BPA has completed the draft EIS considering impacts of requests by PPM Energy Inc. to interconnect 300 megawatts of the output of the proposed Klondike III Wind Project, and by Orion Energy LLC to interconnect 400 MW of the proposed Biglow Canyon Wind Project. Comments were accepted through June 19. BPA plans to issue a final EIS this fall. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

Libby (Flathead Electric Cooperative)-to-Troy Section of the Libby-to-Bonniers Ferry 115-kV Transmission Line Rebuild – Lincoln County, Mont.

BPA is proposing to rebuild a 17-mile-long section of the Libby-to-Bonniers Ferry 115-kilovolt transmission line to improve its reliability and meet future load growth in Lincoln County, Mont. BPA is analyzing the environmental effects of the proposed projects and the comments received during the scoping process. BPA expects to issue a draft EIS later this fall. Comments were accepted through Oct. 30, 2005. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/%20Transmission_%20Projects/.

Port Angeles/Juan de Fuca Transmission Project – Port Angeles, Wash.

Olympic Converter LP has requested interconnection to the Federal Columbia River Transmission System of a 550-MW transmission cable across the Strait of Juan de Fuca from Vancouver Island, B.C., to Port Angeles, Wash. The draft EIS is

expected to be released this fall. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Programs in Review – Regionwide

The 2006 PIR process will set planned spending levels which become the foundation for the revenue requirement in the Transmission rate case. BPA held five public meetings to share proposed operating costs for both capital and expense programs for its 2008 to 2009 transmission rate period. BPA also hosted a technical workshop to respond to questions and share more detailed information on the proposed capital programs. BPA accepted comments on the program levels through Aug. 31. See BPA's Web site for more information: www.transmission.bpa.gov/business/Customer%5FForums%5Fand%5FFeedback/Programs_in_Review/pir2006.cfm.

Shepherds Flat Wind Farm Interconnection Project – Gilliam and Morrow Counties, Ore.

Lifeline Renewable Energy, Inc. (Lifeline) requested interconnection of up to 750 megawatts of power generated from the proposed Shepherds Flat Wind Farm that would be located in Gilliam and Morrow Counties, Ore. BPA proposes to interconnect up to 750 MW by expanding the existing Slatt Substation in Gilliam County. A public scoping meeting will be held later this year, possibly in conjunction with the Oregon Energy Facilities Siting Council's review of the project. BPA will analyze project impacts in a tiered ROD under the Business Plan EIS. The ROD is scheduled to be completed in 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

Seven Mile Hill Wind Project – Wasco County, Ore.

UPC Wind Partners, LLC, requested BPA to interconnect 50 megawatts of power it plans to generate from its proposed wind development southwest of The Dalles, Ore. BPA is considering constructing a simple tap to create a three-terminal line within a switchyard beneath BPA's The Dalles-Hood River 115-kilovolt transmission line. UPC would build a 115/34.5-kV substation adjacent to the switchyard but outside the transmission right-of-way. Recent planning changes by the developer suggest new alternatives being explored. These changes may require re-evaluation of the interconnection that BPA would provide. BPA will largely parallel its National Environmental Policy Act review process with the Oregon Energy Facilities Site Evaluation Council review of this proposed wind project. UPC plans to start construction in late 2007.

Summer Falls/Main Canal Interconnection Project – Grant and Douglas Counties, Wash.

BPA proposes to interconnect 122 megawatts of generation from Summer Falls and Main Canal hydropower projects to the federal transmission grid. BPA proposes to construct a new 230-kilovolt substation (Pinto Ridge) in Grant County and a new communications site (Banks Lake) in Douglas County to complete the interconnection by 2008. Seattle City Light and Tacoma Power requested the interconnection. They also requested that BPA construct eight miles of new 115-kV transmission line between Main Canal and the new Pinto Ridge Substation, one mile of new 115-kV transmission line between Summer Falls and Pinto Ridge, and their new 115-kV substation adjacent to BPA's proposed substation. Seattle City Light and Tacoma Power would own these facilities. BPA, Seattle and Tacoma plan to work cooperatively to complete a combined state and National Environmental Policy Act process and environmental compliance. A public meeting was held in Coulee City in August. BPA is accepting comments through Sept. 24. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Windy Point Wind Interconnection – Klickitat County, Wash.

BPA is considering the interconnection of up to 250 megawatts from Windy Point Partners LLC. This wind project would interconnect at the Rock Creek Substation, now under construction. Two groups filed an appeal to the county's SEPA determination and a hearing was held on July 19. A tiered ROD is expected to be released after the appeal process is complete. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

TRANSMISSION – PROJECTS UNDER CONSTRUCTION

Rock Creek Substation – Klickitat County, Wash.

Construction of Rock Creek Substation is under way and is expected to be complete in fall 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

Tucannon River-North Lewiston 115-kV Transmission Line – Garfield County, Wash., and Nez Perce County, Idaho

Construction on the Tucannon River-North Lewiston transmission line is under way and expected to be complete in fall 2006. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

SUPPLEMENT ANALYSES

To view copies of the supplement analyses, visit the link provided.

Watershed Management Program

www.efw.bpa.gov/environmental_services/Document_Library/Watershed_Management/

- SA-269 Coeur d'Alene Tribe Fisheries Habitat Improvement Project, Benewah County, Idaho
- SA-270 Hood River Habitat-Tony Creek Diversion 2006, Hood River County, Ore.
- SA-271 Big Canyon Creek Watershed Restoration, Nez Perce and Lewis counties, Idaho
- SA-272 Custer SWCD Habitat Projects for FY 06, Lower Pahsimeroi Riparian Protection Fences (Bowles, Last Chance & Last Stand Ranches), Custer and Lemhi counties, Idaho

Transmission Vegetation Management Program

- SA-310 North Bonneville-Midway, Skamania County, Wash.
- SA-311 Hood River-The Dalles, Hood River and Wasco Counties, Ore.
- SA-312 Drummond-Macks Inn, Fremont County, Idaho
- SA-313 Little Goose-Lower Granite Nos. 1 & 2, Columbia County, Wash.

CALENDAR OF EVENTS

- **Sept. 7, 2006** – 8:30 a.m. to noon, Congestion Management Public Meeting, Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.
- **Sept. 8, 2006** – 10 a.m. to 4 p.m., Service to Direct-service Industries Public Meeting, BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.
- **Sept. 11, 2006** – 1 to 4 p.m., Regional Dialogue Workshop, BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

CLOSE OF COMMENT

Sept. 21 – Proposed Slice settlement

Sept. 24 – Summer Falls and Main Canal Interconnection Project

Sept. 29 – Regional Dialogue

The Journal is a monthly publication of the Bonneville Power Administration. If you have questions or comments, or you want to be added to the mailing list for any project, call toll free (800) 622-4519.

To order copies of documents, call: (800) 622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 14428, Portland, OR 97293-4428. E-mail address: comment@BPA.gov. BPA home page: www.bpa.gov. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see www.efw.bpa.gov/environmental_services/nepadocs.aspx. Process Abbreviations: EA-Environmental Assessment, EIS-Environmental Impact Statement, ESA-Endangered Species Act, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision.

